Prices of essential and life saving drugs

666. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:

Will the PRIME MINISTER be pleased to state:

(a) what is the percentage of increase in the prices of essential and life saving drugs since July, 1991; till-date;

(b) up to what extent the Drug Price Control Order meant to regulate the prices of essential and life saving medicines has been able to fulfil the objective;

(c) whether Government have made any exercise to know how for the objective of custom duty concessions on production of drugs meant to be passed on to the consumer has been fulfilled; and

(d) if so, what are the details thereof;

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) In a situation of rising costs of inputs, some increase in the prices of medicines is inevitable. Prices of about 200 formulations have been revised since July, 1991, break up in terms of percentage increase, is given below:—

%age increase	Number of formulations
0—10%	94
10—20%	64
More than 20%	39

(b) The prices of scheduled formulations are fixed under DPCO, 1987, in accordance with a formula and fixed norms. Before fixing/revising prices, recommendations of BICP, an expert body on industrial costs & pricing, are obtained & considered. This keeps the price level of essential medicines within reasonable limit.

(c) and (d) The purpose of giving customs duty concessions on drug intermediates is to encourage manufacture of bulk drugs from more basic stage. Impact of custom duty concessions on production of drugs and pharmaceuticals, however, is not monitored.

Losses by Naphtha based, coal based and gas based fertilizer corporation

667. SHRI S. K. T. RAMACHANDRAN:
SHRI KRISHNA KUMAR BIRLA:

Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to set up three gas based medium size fertilizer plants, if so, the details in this regard and the investment likely to be made;

(b) what are the Naphtha based coal based and gas based fertilizer Corporations in the public sector which are incurring losses;

(c) what measures have been taken or are proposed to be taken to minimise the losses; and

(d) whether these are proposed to be transferred to the private sector?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) No, Sir. Currently, natural gas is available for setting up only one medium sized ammonia (450 MT per day) and urea (750 MT per day) plant in the Krishna Godavari basin (Andhra Pradesh), for which some applications have been received. The applicants have been asked to furnish full details.

(b) The details of the naphtha based, coal based and gas based fertilizer units/

corporations in the public sector incurring losses, are as under:—

Name of the unit/Corporation	Feedstock
A. Fertilizer Corporation of India Ltd. (FCI)	
(i) Ramagundam	Coal
(ii) Talcher	—Do—
(iii) Gorakhpur	Naphtha
B. Hindustan Fertilizer Corporation Limited (HFC)	
(i) Barauni	Naphtha
(ii) Durgapur	—Do.—
(iii) Namrup I, II, III	Natural gas

(c) The following steps have been taken/are being taken to minimise the losses:

(i) Captive power plants have been installed in all the units of HFC and some units of FCI;

(ii) Replacement/renewal of equipments as necessary;

(iii) Constant monitoring by preventive and predictive maintenance;

(iv) Induction of trained staff at various levels; and

(v) These companies have also submitted revamping proposals for their plants.

(d) No decision has been taken to privatise the loss making fertilizer units.

Liability of M/s. Merind

668. SHRI H. HANUMANTHAPPA:
CHOWDHARY RAM SEWAK:

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 1653 given in the Rajya Sabha on the 12th September, 1991 and state:

(a) whether it is a fact that besides M/s. Glaxo, M/s. Merind also showed their liability in the balance sheet upto 1983;

(b) if so, the details in this regard;

(c) whether it is a fact that Government did not take any steps to recover the amount due from M/s. Merind as arrear of land revenue;

(d) whether it is a fact that there is no stay from any court;

(e) if so, the reasons for non-recovery of dues;

(f) if so, the earlier and revised prices;

(g) whether it is a fact that price fixation under DPCO, 1987 is subjudices; and

(h) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) As per the available information in its annual accounts for the year ending 31st December, 1983, M/s. Merind had shown its liability under DPEA at Rs. 486.07 lakhs.

(c) and (d) No. Sir. The data is still awaited from the company and the company has requested for a personal hearing.

(e) Yes, Sir.